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## **MBDA Applauds New Small Business Contracting Opportunities**

*SBA's Package of Regulations, Reforms Will Aid Minority and Other Small Businesses*

WASHINGTON, DC—The Minority Business Development Agency (MBDA), part of the U.S. Department of Commerce, today released a statement applauding the Small Business Administration's (SBA) package of reforms that will help small and disadvantaged businesses including 8(a) and minority-owned businesses win more contracts from federal government agencies.

"Access to federal government contracts is vitally important to minority businesses," said the MBDA National Director Ron Langston. "MBDA will work to ensure that the recertification regulation and other reforms will open doors for minority small businesses." Federal agencies annually award over \$80 billion in contracts to small and disadvantaged businesses.

The recertification regulation closes loopholes that had counted some large business contracts as if they were awarded to small businesses. The change will create more opportunities for small businesses to compete for contracts. SBA also announced that it was hiring additional personnel to help minority and other small businesses vie for federal government contracts.

The new regulation will go into effect June 30<sup>th</sup>, 2007. Whenever a small business merges with or is acquired by another firm, it will have to recertify its size. Other small businesses will have to recertify every five years.

"The new regulation is balanced to avoid penalizing small businesses that grow as a result of winning federal contracts," said the MBDA National Director Ron Langston. "It does prohibit corporate giants from 'winning' small business contracts by acquiring small firms. Also the new regulation helps to ensure that small and disadvantaged businesses (SDB) get a full share of the SDB procurement pie and is not water-downed by the acquisition of small firms by larger firms."

The reforms also include measures to better track federal agencies' progress in meeting minority and small business goals. To promote transparency and accountability, businesses and the public will be able to review all small business contract awards.

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### **About the Minority Business Development Agency, US Department of Commerce**

Founded in 1971 and headquartered in Washington, DC, the Minority Business Development Agency (MBDA) is part of the U.S. Department of Commerce. MBDA is the only federal agency created specifically to foster the establishment and growth of minority-owned businesses in this Nation. The Agency actively promotes the strategic growth and competitiveness of minority business enterprises by offering management and technical assistance and access to

contracting and financing opportunities through a network of forty local business centers throughout the United States.